

*\*Click bookmarks on the sidebar to jump to the full PDF version or click the web link to view the article online in your browser.*

**1 - 30 Toxic Chemicals Found at Exxon Pipeline Spill Site in Arkansas, Allgov, 5/2/13**

<http://www.allgov.com/news/controversies/30-toxic-chemicals-found-at-exxon-pipeline-spill-site-in-arkansas-130502?news=849911>

When half a million gallons of tar sands oil spilled into an Arkansas community in March, it released 30 toxic chemicals into the air that may impact human health.

**2 - Missouri Oil Spill: Exxon Pegasus Pipeline Leaks Again, One Month After Mayflower, Arkansas Rupture, HuffPost, 5/1/13**

[http://www.huffingtonpost.com/2013/05/01/missouri-oil-spill-exxon\\_n\\_3194177.html](http://www.huffingtonpost.com/2013/05/01/missouri-oil-spill-exxon_n_3194177.html)

May 1 (Reuters) - Exxon Mobil Corp's near 70-year-old Pegasus oil pipeline spilled a small amount of crude on Tuesday into a residential yard in Ripley County, Missouri, a month after the same pipe spewed thousands of barrels of crude in Arkansas.

**3 - Vitter questions secondary email address used by EPA administrator, BRADV, 5/1/13**

<http://theadvocate.com/home/5864900-125/vitter-questions-secondary-email-address>

Sen. David Vitter continued his criticism of the Environmental Protection Agency on Wednesday for its alleged lack of transparency regarding secretive or secondary email accounts by its leaders.

**4 - Sinkhole commission tells crowd it needs more data, BRADV, 5/1/13**

<http://theadvocate.com/home/5862788-125/sinkhole-commission-tells-crowd-it>

Members of the Blue Ribbon Commission charged with investigating the long-term stability and safety of the area around the Assumption Parish sinkhole need more data before any recommendations will be forthcoming, officials said Wednesday.

**5 - Authorities: West Explosion Investigation May Be Done May 10, CBS, 5/1/13**

<http://dfw.cbslocal.com/2013/05/01/authorities-west-explosion-investigation-may-be-done-may-10/>

An investigation should be finished within the next two weeks into what caused a massive explosion at a Texas fertilizer plant that killed 14 people, state authorities said Wednesday.

**6 - Bill concerning expanding salt cavern at Lake Peigneur clears Senate committee, KATC, 5/1/13**

<http://www.katc.com/news/bill-concerning-expanding-salt-cavern-at-lake-peigneur-clears-senate-committee/>

A bill that would require an environmental impact study to be done before AGL Resources expands a salt cavern under Lake Peigneur in Iberia Parish passed the Senate Committee on Natural Resources. "We need to protect residents in the area from any potential threat this could cause," said Sen. Fred Mills (R-Parks).

**7 - President Obama OKs individual aid for West, WacoTrib, 5/1/13**

[http://www.wacotrib.com/news/fire/president-obama-oks-individual-aid-for-west/article\\_0a686ab5-a399-51a8-bd39-52608ceb4821.html](http://www.wacotrib.com/news/fire/president-obama-oks-individual-aid-for-west/article_0a686ab5-a399-51a8-bd39-52608ceb4821.html)

President Barack Obama on Wednesday expanded the emergency declaration made in the wake of the West fertilizer plant explosion, a move which will allow individual families to apply for aid from the Federal Emergency Management Agency.

**8 - Texas Fights EPA Effort To Defend GHG Permit Takeover With CWA Ruling, InsideEPA, 5/1/13**

**<http://insideepa.com/201305012432869/EPA-Daily-News/Daily-News/texas-fights-epa-effort-to-defend-ghg-permit-takeover-with-cwa-ruling/menu-id-95.html>**

**Texas is rejecting EPA's claim that a recent Clean Water Act (CWA) ruling upholding the agency's power to revoke disposal permits “whenever” it finds harm justifies its takeover of greenhouse gas (GHG) permits in the state, with Texas claiming its suit over the takeover focuses on “whether” the move was valid, not a dispute on its timing.**

**9 - Midwestern coal gasification plant and proposed CO2 pipeline appear near termination, EENEWS, 5/2/13**

**<http://www.eenews.net/climatewire/2013/05/02/1>**

**A major "clean" coal project that was once viewed as a keystone for cleaning up the Midwest's greenhouse gas emissions appears near collapse.**

**10 - Vitter releases more Windsor messages, slams 'pretty bizarre' email practices, E&E News, 5/1/13**

**<http://www.eenews.net/eenewspm/2013/05/01/5>**

**Sen. David Vitter charged today that a new package of emails from the "Richard Windsor" account of former U.S. EPA Administrator Lisa Jackson shows "unprecedented" use of the alias to communicate with people beyond the Obama administration.**

<http://www.allgov.com/news/controversies/30-toxic-chemicals-found-at-exxon-pipeline-spill-site-in-arkansas-130502?news=849911>

## 30 Toxic Chemicals Found at Exxon Pipeline Spill Site in Arkansas

Thursday, May 02, 2013



Crews cleaning up oil from Exxon spill in Mayflower, Arkansas

(Photo: Jeannie Nuss, AP)

When half a million gallons of tar sands oil spilled into an Arkansas community in March, it released 30 toxic chemicals into the air that may impact human health.

“Each of the thirty hydrocarbons measured in the Mayflower release is a toxic chemical on its own and may pose a threat to human health depending on various exposure and individual factors,” Dr. Neil Carman said in a prepared statement about a local study performed in the wake of the accident. Carman is with the [Lone Star Chapter of Sierra Club](#) and is a former industrial plant investigator for the [Texas Commission on Environmental Quality](#).

The study by the Faulkner County Concerned Citizens Advisory Group and [Global Community Monitor](#) revealed that at least 30 hazardous chemicals were detected in the air following the 500,000 gallons of oil that spilled from a ruptured [ExxonMobil](#) pipeline.

The chemicals included include benzene, toluene, ethylbenzene, n-hexane and xylenes. Exposure to ethylbenzene and benzene can cause cancer and birth defects, while the inhalation of n-hexane can damage the nervous system and produce numbness, muscular weakness, blurred vision, headaches and fatigue.

Community activist April Lane, who has collected health reports from residents since the March 29 accident, said some locals are still feeling symptoms from the chemical exposure. These involve gastrointestinal problems, headaches, respiratory problems, skin irritation and extreme fatigue.

Arkansas Attorney General Dustin McDaniel hired the crisis management firm [Witt O'Brien's](#) to perform an analysis of the cleanup. However, the company's mission at Mayflower is more about cover-up than cleanup, [claims DeSmogBlog.com](#), a whistleblowing outfit devoted to exposing “global warming misinformation campaigns.”

“O'Brien's has had its hands in the botched clean-up efforts of almost every high-profile oil spill disaster in recent U.S. history,” wrote Steven Horn on [DeBlogSmog's](#) website, “including the Exxon Valdez spill, the BP Deepwater Horizon spill, the Enbridge tar sands pipeline spill into the Kalamazoo River, and Hurricane Sandy.”

Horn also noted that Witt O'Briens' clients include corporate oil and gas titans, and many of its own employees hail from that industry.

## Missouri Oil Spill: Exxon Pegasus Pipeline Leaks Again, One Month After Mayflower, Arkansas Rupture

Reuters | Posted: 05/01/2013 12:58 pm EDT

[reddit](#) [stumble](#)



Crews work to clean up from an oil pipeline spill in a Mayflower, Ark., neighborhood Wednesday, April 3, 2013. (AP Photo/Danny Johnston)



By Edward McAllister and Robert Gibbons

May 1 (Reuters) - Exxon Mobil Corp's near 70-year-old Pegasus oil pipeline spilled a small amount of crude on Tuesday into a residential yard in Ripley County, Missouri, a month after the same pipe spewed thousands of barrels of crude in Arkansas.

A resident notified the company of the spill after spotting a patch of oil and dead vegetation seven miles (11 km) south of Doniphan in the southeast of the state, Exxon and state officials said on Wednesday.

About one barrel of crude leaked and the cleanup is "close to completion", an Exxon spokeswoman said.

Tuesday's spill occurred 200 miles north of Mayflower, Arkansas, where about 5,000 barrels of crude spilled from the Pegasus pipe into a residential area on March 29, prompting a giant clean-up operation that is still ongoing.

The Mayflower spill stoked a fractious national debate about the effect of shipping increasing amounts of tarry Canadian crude across the United States, including through residential areas and in aging pipelines.

The Pegasus line, which can carry more than 90,000 barrels a day of crude from Illinois to Texas, was built in the late 1940s. It was shut after the Arkansas spill and was not in operation when the Missouri spill occurred.

Exxon has not offered a timeline for when Pegasus will restart.

"The release occurred from the installation of a guide wire for a power line pipe that was installed approximately 30 years ago," a spokeswoman for the Missouri Department of Natural Resources said on Wednesday. "The guide wire was located almost directly on top of the pipeline and has worn down over the years."

The Exxon spokeswoman said the cause was under investigation.

<http://theadvocate.com/home/5864900-125/vitter-questions-secondary-email-address>

## Vitter questions secondary email address used by EPA administrator

**BY JORDAN BLUM**

Advocate Washington bureau

May 01, 2013

### [1 Comments](#)

WASHINGTON — Sen. David Vitter continued his criticism of the Environmental Protection Agency on Wednesday for its alleged lack of transparency regarding secretive or secondary email accounts by its leaders.

Vitter has particularly honed in on former EPA Administrator Lisa Jackson, of New Orleans, using the alias “Richard Windsor” as her secondary EPA email address with the allegation that she conducted some professional and personal business on the account. Vitter, of Louisiana, is the ranking Republican on the Senate Environment and Public Works Committee.

Vitter released new emails Wednesday he obtained that were sent to and from [windsor.richard@epamail.epa.gov](mailto:windsor.richard@epamail.epa.gov), in which Jackson corresponded with business executives and community and resource development activists.

The EPA has maintained administrators for decades have used secondary work email addresses to conduct some everyday business with EPA employees and government officials. But agency officials denied conducting outside business through the secondary emails.

“EPA has shown an absolute disregard for transparency with their email practices, but this one is pretty bizarre,” Vitter said in his announcement.

“We also know now that Lisa Jackson used the alias ‘Richard Windsor’ to correspond outside of the EPA, including with environmental activists,” Vitter continued. “There are still a lot of unanswered transparency questions, and Jackson’s replacement, nominee Gina McCarthy, is responsible for answering them and reinforcing transparency as a priority for the future of the Agency.”

Jackson stepped down in February after announcing she would not stay on for President Barack Obama’s second term. McCarthy, who is awaiting a Senate debate over her confirmation, currently heads the EPA’s air and radiation office.

In her committee confirmation hearing, McCarthy told Vitter she would be transparent and she does not use her personal email to conduct business.

The “Richard Windsor” emails released Wednesday showed Jackson communicating with a marketing firm executive who believed he was writing to the fictional Windsor, who he seemingly thought was Jackson’s assistant. The executive asked Windsor to pass on messages to Jackson and Jackson did not reveal that he was actually communicating directly with her.

The emails also showed Jackson using the “Windsor” account to communicate with people outside the government, including Cass Sunstein, who would later be chosen for a White House job.

Jackson also corresponded with a Ford Foundation community and resource development program official who now has an EPA job.

## **Sinkhole commission tells crowd it needs more data**

**Investigating panel says no time frame yet**

**BY DAVID J. MITCHELL**

River Parishes bureau

May 01, 2013

NAPOLEONVILLE — Members of the Blue Ribbon Commission charged with investigating the long-term stability and safety of the area around the Assumption Parish sinkhole need more data before any recommendations will be forthcoming, officials said Wednesday.

The members, experts from around the world, visited the now more than 15-acre sinkhole and gathered in work sessions on it this week.

During a community meeting Wednesday before more than 250 people at the Assumption Parish Community Center, members showed six tasks each to establish safety benchmarks regarding stability around the sinkhole and the migration and removal of gas under the area.

Each of those tasks called for new actions or data, much of it yet to be collected. The members did not provide specific timelines to gather that information or do that work.

When asked about time frames, Perry Franklin, moderator for the group, said some of the data exists and must be provided, but other data must be collected. State and parish officials will be meeting starting Thursday to review what Franklin called a “laundry list” of needs.

When pressed on how long this process might take, Franklin said the group is still in the data harvesting stage.

“It would be premature for anyone to stand here today and say we’re six months, nine months, one month, a year out from any type of a situation,” Franklin said.

The panel is focused on three areas to create criteria to evaluate long-term stability: levels of shallow gas in the aquifer, the stability on the western side of Napoleonville Dome and the management and containment of the sinkhole.

The Texas Brine Co. salt dome cavern that failed last year, scientists have reported, resulted in emergence of the swampland sinkhole in August and triggered tremors and the release of crude oil and natural gas, which is now in an aquifer under the community.

As of Friday, about 350 people shall have been under a mandatory evacuation order for nine months in the Bayou Corne and Grand Bayou communities.

Later in Wednesday's meeting, Texas Brine officials presented their interpretation of 3-D seismic data of the subsurface that they contended resulted in one of the most highly detailed surveys of its kind on the Gulf Coast.

"What we found is what we think is a very positive story," said Mark Cartwright, president of United Brine Services, a Texas Brine subsidiary.

Cartwright then showed the audience images that he said suggested that there were no voids that posed risks of gas releases or major new collapses, that the Napoleonville Dome appeared to be stable and that the source of gas appears to be played out.

These have been major concerns of scientists working for the Office of Conservation on the sinkhole.

This presentation later provoked criticism from some residents who said flatly they did not trust Texas Brine.

Norm Schewe, 74, a Baton Rouge resident who owns a camp in Bayou Corne, recounted how Texas Brine had asserted there were no problems with the Texas Brine cavern that failed going back to the early 1980s, when it was permitted, and is saying there is no problem now.

"Why should I believe you now when you didn't know what you were talking about" in the past, he asked.

Cartwright responded, "You don't have to believe us." He added that given the new data, he hoped Schewe could come to his own conclusion.

The Louisiana Department of Natural Resources has its own expert reviewing the raw data from Texas Brine's recent survey but answers are not expected until mid-June, according to a presentation Wednesday.

Gary Metrejean, 48, who is a Bayou Corne evacuee, asked whether the Texas Brine data could be trusted to be actually from the area under Bayou Corne or be somehow faked or from another area.

Gary Hecox, who is a commissioner and a hydrogeologist for CB&I and who has been working on the sinkhole emergency for months, said the data was gathered by a world-class outfit, Boone Geophysical, and early processing by the state's expert, Don Marlin, shows it is of the area.

Schewe also called into question the motivations of the commissioners, whom he said were working on the project for their credentials when the people of Bayou Corne would be left dealing with Texas Brine years later.

Hecox took exception.

“This is a group of world-class scientists who are here to help the people of Bayou Corne,”  
Hecox said.

**Authorities: West Explosion Investigation May Be Done May 10, CBS, 5/1/13**

**<http://dfw.cbslocal.com/2013/05/01/authorities-west-explosion-investigation-may-be-done-may-10/>**

**AUSTIN (CBSDFW.COM/AP)** — An investigation should be finished within the next two weeks into what caused a massive explosion at a Texas fertilizer plant that killed 14 people, state authorities said Wednesday.

Texas State Fire Marshal Chris Connealy told lawmakers during a legislative hearing that his office is targeting May 10 for investigators to complete their probe into the origin and cause of the fire and explosion at West Fertilizer Company. Authorities have not hinted what might have caused the blast April 17 in the rural farming town of West.

State records reportedly show the fertilizer plant had a yearly capacity of 2,400 tons of potentially explosive ammonium nitrate.

Most of the dead were firefighters and paramedics, and about 200 other people were injured.

“We literally have to sift through all the soil — all the items that exploded out of the plant, collect those, try to reconstruct the facility,” Connealy said. “We are well down that path. But (May 10) is an approximate date. Don’t hold us to that.”

Connealy raised the possibility that authorities might never uncover the cause, but expressed hope that a team of 80 investigators that have conducted 300 interviews would make a determination.

“Everything will be touched. It will be analyzed and it will be looked at,” he said.

Connealy said investigators are combing through a 14.9-acre area and compared the work to an archaeological dig. They are also doing 3-D imaging to obtain an accurate measurement of the crater that’s estimated to be 10 feet deep and 93 feet wide. He said the federal Bureau of Alcohol, Tobacco and

Firearms has so far spent \$500,000 on the investigation and expects that price tag to double.

Lawmakers hauled the fire marshal before the state House Homeland Security and Public Safety Committee in the first hearing at the Capitol since the explosion. Leaders of several other state investigative and regulatory agencies also testified about their role monitoring the West plant and similar facilities statewide.

*(©2013 CBS Local Media, a division of CBS Radio Inc. All Rights Reserved. This material may not be published, broadcast, rewritten, or redistributed. The Associated Press contributed to this report.)*

## Bill concerning expanding salt cavern at Lake Peigneur clears Senate committee

Posted: May 1, 2013 2:39 PM by Tonya LaCoste

Updated: May 1, 2013 2:41 PM



 SHARE

Rating:

A bill that would require an environmental impact study to be done before AGL Resources expands a salt cavern under Lake Peigneur in Iberia Parish passed the Senate Committee on Natural Resources. "We need to protect residents in the area from any potential threat this could cause," said Sen. Fred Mills (R-Parks). "We've seen what's happened to the folks in Bayou Corne and we saw what happened to the residents of Lake Peigneur 33 years ago," he said in a press release. Mills is referring to the 1980 disaster at Lake Peigneur, a few miles west of New Iberia, when a drilling rig drilled through a salt mine, causing the lake to open and consume its surroundings.

AGL Resources is asking for a permit to expand the cavern to store natural gas. Senate Bill 200 would require an environmental impact study which would focus on the cavern's proximity to the aquifer. Mills says his bill would protect Iberia Parish residents from a potential sinkhole disaster like the one that has driven 150 Bayou Corne households out of their homes since August. "In Bayou Corne, it has been suggested that a cavern was placed too close to the edge of the salt dome and external pressure caused a collapse, filling the sinkhole with millions of cubic yards of earth," Mills said.

The full Senate will now consider SB 200.

## President Obama OKs individual aid for West

By CINDY V. CULP [cculp@wacotrib.com](mailto:cculp@wacotrib.com) | Posted: Wednesday, May 1, 2013 4:10 pm

President Barack Obama on Wednesday expanded the emergency declaration made in the wake of the West fertilizer plant explosion, a move which will allow individual families to apply for aid from the Federal Emergency Management Agency.

Individuals and families may be eligible for grants that will help with the cost of temporary housing and home repairs. They may also be able to get help with medical, dental and funeral expenses, according to a news release from FEMA.

In addition, people affected by the blast may be able to get assistance in replacing personal property, transportation and other items, the agency said.

People must register with FEMA during the next 60 days in order to receive such assistance, said Julie Bradford, a FEMA spokeswoman who is part of a team working in West.

People can register online at [www.disasterassistance.gov](http://www.disasterassistance.gov) or by a web-enabled mobile device at [m.fema.gov](http://m.fema.gov). People can also register by calling 1-800-621-3362 or 1-800-462-7585 (TTY).

People who use 711-relay or video-relay services can call 1-800-621-3362.

West city officials previously expressed doubt that the federal government would approve aid for individual families. When Mayor Pro Tem Steve Vanek learned of Obama's action Wednesday, he called it great news and said it will help people in the town recover and rebuild.

"I don't know everybody's personal state," Vanek said. "But I do know people are hurting. It's definitely going to help."



Daily News

## Texas Fights EPA Effort To Defend GHG Permit Takeover With CWA Ruling

Posted: May 1, 2013

Texas is rejecting EPA's claim that a recent Clean Water Act (CWA) ruling upholding the agency's power to revoke disposal permits "whenever" it finds harm justifies its takeover of greenhouse gas (GHG) permits in the state, with Texas claiming its suit over the takeover focuses on "whether" the move was valid, not a dispute on its timing.

Although the "scope of EPA's authority is in dispute" in a pending federal appeals court suit over the GHG permitting takeover, the "timing of its action under the Clean Air Act is not," Baker & Hostetler attorney David Rivkin says on Texas' behalf in [an April 29 letter](#) filed with the U.S. Court of Appeals for the District of Columbia Circuit.

The D.C. Circuit's April 23 ruling in the CWA case, *Mingo Logan Coal Company v. EPA*, "has no relevance" to the GHG permitting takeover suit known as *State of Texas, et al. v. EPA, et al.*, Rivkin writes. He argues that the case focuses on whether the takeover was valid -- the state claims the takeover exceeded EPA's powers -- and not its timing.

His letter is in response to Department of Justice (DOJ) lawyer Madeline Fleisher's [April 26 notice of supplemental authority](#) filed with the court defending the GHG permitting takeover by citing the *Mingo Logan* decision, which held that EPA has broad authority to veto dredge-and-fill permits "whenever" it finds harm. The court cited language in the CWA of when a state's water permitting program can be considered inadequate.

Fleisher said the ruling underscores EPA's ability to use its authority to revoke its approval of a state implementation plan (SIP) -- blueprints for complying with Clean Air Act (CAA) requirements -- "whenever" it finds the approval was in error, citing similar "whenever" language in both the CAA and CWA.

EPA took over GHG permitting in Texas after finding the state's already-approved SIP was in error because it did not include provisions that would allow permitting of newly regulated pollutants, namely GHGs.

The agency first approved Texas' SIP in 1992, allowing the state to write and issue federal prevention of significant deterioration (PSD) permits for conventional pollutants under its delegated authority. Years later, the Obama EPA issued a rule requiring PSD permits for GHGs at some facilities.

Many states revised their SIPs to adopt the federal GHG permitting program, but Texas refused because it opposes CAA regulation of GHGs. EPA then stepped in to take over responsibility for issuing GHG permits in the state, though it left Texas with delegated CAA authority to write air permits for conventional pollutants.

### SIP 'Correction'

Critics say EPA's decision was time-barred as it approved the SIP years ago, but EPA says CAA section 110(k)(6) allows it to reverse a prior SIP decision "whenever" it determines the decision was in error.

Texas counters that EPA wrongly applied section 110(k)(6), to "correct," or reverse, its prior approval of the state's PSD permit program, depriving Texas of the chance to modify its SIP to accommodate GHG regulation for stationary sources -- a point DOJ's Fleisher tried to rebut by pointing to the D.C. Circuit's *Mingo Logan* ruling to justify issuing a reversal on the SIP approval after finding it at fault for not including GHG permit provisions.

However, Rivkin in the April 29 letter says although the court's ruling in *Mingo* allows EPA to withdraw a dredge-and-fill permit at any time, the relevant issue in *State of Texas* "is not when EPA may revise" the SIP but "whether EPA may now declare that the initial approval 'was in error,' given that it was actually consistent with EPA's longstanding interpretation of applicable requirements when made." Rivkin also says the parties in *State of Texas* are disputing whether EPA is allowed to transform an approval of a SIP into a disapproval of a SIP.

"The scope of EPA's authority is in dispute, as well as the substance of its actions. The timing of its actions under the Clean Air Act is not. *Mingo Logan* is therefore irrelevant," Rivkin argues.

The two recent *Mingo Logan* letters were filed with the D.C. Circuit ahead of May 7 oral arguments. The court is scheduled to hear arguments in *State of Texas* and a related suit filed by utility groups, *Utility Air Regulatory Group, et al. v. EPA, et al.*, also challenging EPA's GHG permitting. -- *Chris Knight* ( [cknight@iwpnews.com](mailto:cknight@iwpnews.com) )

**Related News:**   Air   Climate Policy Watch   Litigation

2432869

---

Inside EPA	Air	Daily News
Clean Air Report	Water	Documents
Water Policy Report	Waste	Insider
Superfund Report	Energy	Blog
Inside Cal/EPA	Climate Policy Watch	
Risk Policy Report	On Capitol Hill	
Defense Environment Alert	Budget	<b>SPECIAL REPORTS</b>
Environmental Policy Alert	Litigation	Federal Facilities Watch
	Toxics	Outlook 2013
	Natural Gas	
	Election 2012	About Us
		Terms and Conditions
		Privacy Policy
		Home Page

Economical site license packages are available to fit any size organization, from a few people at one location to company wide access. For more information on how you can get greater access to InsideEPA.com for your office, contact Online Customer Service at 703-416-8505 or [iepa@iwpnews.com](mailto:iepa@iwpnews.com).

© 2000-2013. Inside Washington Publishers | [Contact Us](#)

## THE POLITICS AND BUSINESS OF CLIMATE CHANGE

### 1. EMISSIONS:

#### **Midwestern coal gasification plant and proposed CO2 pipeline appear near termination**

Christa Marshall, E&E reporter

Published: Thursday, May 2, 2013

A major "clean" coal project that was once viewed as a keystone for cleaning up the Midwest's greenhouse gas emissions appears near collapse.

Yesterday, a spokesman for the Indiana Gasification project -- which envisioned the capture and storage of carbon dioxide from a coal-to-gas facility in Rockport, Ind. -- said the initiative was suspended and "likely dead" after passage of a bill in the state Legislature last weekend.

The \$2.8 billion project's suspension also stalls a first-of-its-kind CO2 pipeline from Denbury Resources that was considered a potential emissions game changer because it would have provided a link for additional, emissions-heavy Midwestern projects to carry captured carbon dioxide to enhanced oil recovery operations in the Gulf Coast.

Indiana Gasification, a subsidiary of Leucadia Corp., planned to carry captured carbon dioxide through the Midwest-Gulf Coast line, which Denbury explored in 2009 via a feasibility [study](#), but had not yet built.

The CO2 pipeline "is not looking like a viable project at this point," Denbury Resources spokesman Ernesto Alegria said yesterday. The Indiana Gasification plant was the last remaining potential source of carbon dioxide for the proposed pipeline, Alegria said, and without it, there simply is no incentive to move forward with the greenhouse gas conduit.

"You have to have enough CO2 to make a project," he said.

The Rockport plant, which had not broken ground, would have captured roughly 5.5 million tons of carbon dioxide annually from the process of gasifying coal into synthetic gas.

Under a 30-year-contract, the Indiana Finance Authority planned to purchase the substitute natural gas at a set rate, estimated by analysts to be around \$6.60 per million British thermal units. The state would have then sold the substitute gas for a profit or loss, depending on market prices.

#### **A former governor's 'baby'**

Indiana Gasification LLC spokesman Mike Murphy said that the state [bill](#), passed early Saturday morning, set new standards that would have added two years of delays and made financing impossible. The bill would allow the Indiana Utility Regulatory Commission to review the project's financing contract.

The only way the coal-to-gas plant will be revived is if the state Supreme Court takes up the matter, and that is not guaranteed, he said. The court also would have to rule completely in Indiana Gasification's favor for it to make a difference, he said. Last year, an Indiana appeals court reversed portions of the financing contract ([ClimateWire](#), Nov. 1, 2012).

"If the Supreme Court does not take the case, the project is dead. The legislature and the governor knew this when they put the language in the law just passed," said Mark Lubbers, Indiana Gasification project manager, in a statement to *ClimateWire*.

The project is the latest carbon capture proposal to face severe challenges amid low natural gas prices, changing politics and declining funding options. While several similar plants are still moving forward, many others have been canceled amid spiraling costs and the lack of additional financing.

Many experts believe that carbon capture technology will never get going at a wide scale unless there is a price on carbon or much stricter greenhouse gas rules on power plants.

The Indiana plant was pushed heavily by ex-Indiana Gov. Mitch Daniels (R) four years ago at a time when the shale gas boom was not as well-established and carbon fees were on the table nationally.

"This was Mitch Daniels' baby," said Kerwin Olson, executive director of the environmental advocacy group Citizens Action Coalition, in a recent interview.

### **Shale gas trumps syngas**

Incoming Gov. Mike Pence (R) was not a similar champion of the idea of gasifying coal into synthetic natural gas, telling the *Evansville Courier & Press* last month that the project needed re-evaluation.

The project also faced strong opposition from Vectren Corp. and environmentalists, who said synthetic natural gas is not a cheap or smart idea with flush supplies of shale gas available. The wellhead price of natural gas fell from about \$8 per thousand cubic feet to \$2.66 in 2012, **according** to the Department of Energy.

"Energy prices have dropped substantially, and what looked like it had real potential when the price of gas was so much higher -- now you have to bring into question whether it makes sense," said Indiana Senate President Pro Tempore David Long, according to an editorial in the *Courier & Press*.

The opposition from gas utility Vectren and environmentalists all played into the changing politics. The Sierra Club and other activists -- who dubbed the plant "the Leucadia tax" -- sent more than 6,000 emails and calls into the offices of state lawmakers before the vote.

The project's supporters said that the plant would have provided financial stability for a state that currently imports its gas. They noted that the Indiana Utility Regulatory Commission originally considered the future trajectory of natural gas prices and approved the project to avoid price volatility. Supporters of carbon capture generally note that the technology is the only way to control emissions from coal, which is expected to remain a global player for decades.

In multiple newspaper **editorials** in the past year, Lubbers said opponents were distorting the state framework for the plant.

Yesterday, he also charged that state legislators were issuing a "false promise" by signaling that the state Supreme Court could revive the project.

"The judgment of the state is very clear: Neither the legislature nor the governor support the contract or the project. The institutions that provide the capital to build a plant of this size will not do business in a state that is so cavalier about the \$20-plus million dollars we have already invested," Lubbers said.

---

*Advertisement*

---

[E&E Home](#) | [About](#) | [Start a Trial](#) | [Get E-mail](#)

[Alerts](#) | [Advertise](#) | [Staff Directory](#) | [Reports](#) | [Public Site](#) | [RSS](#)

---

*The Premier Information Source for Professionals Who Track Environmental and Energy Policy.*

© 1996-2013 E&E Publishing, LLC [Privacy Policy](#) [Site Map](#)

---

## STAY AHEAD OF THE HEADLINES

### 5. EPA:

#### **Vitter releases more Windsor messages, slams 'pretty bizarre' email practices**

Jason Plautz, E&E reporter

*Published: Wednesday, May 1, 2013*

Sen. David Vitter charged today that a new package of emails from the "Richard Windsor" account of former U.S. EPA Administrator Lisa Jackson shows "unprecedented" use of the alias to communicate with people beyond the Obama administration.

The Louisiana Republican released the [emails](#), including some that he says show Jackson trying to impersonate the fictional Windsor.

"EPA has shown an absolute disregard for transparency with their email practices, but this one is pretty bizarre," said Vitter, the ranking member on the Senate Environment and Public Works Committee. "We also know now that Lisa Jackson used the alias 'Richard Windsor' to correspond outside of the EPA, including with environmental activists. There are still a lot of unanswered transparency questions, and Jackson's replacement, nominee Gina McCarthy, is responsible for answering them and reinforcing transparency as a priority for the future of the agency."

EPA has said the account wasn't intended for solely internal use and that it was not unusual for Jackson to use it to communicate with groups outside the administration. Previous EPA administrators have used secondary accounts to manage the high volume of emails, and EPA has said the Richard Windsor account is not extraordinary. Jackson has said she picked the alias by combining the name of her dog, Richard, with that of the New Jersey town where she used to live, Windsor.

Vitter highlights emails from Michael Martin, CEO of the marketing firm Effect Partners, in which Martin appears to believe he is talking to Windsor, not Jackson.

"Richard, please pass this on to Lisa Jackson," Martin wrote March 4, 2010. "For some reason, her personal email does not seem to like to get emails from me!"

In her response, Jackson doesn't identify herself, and Martin addresses future emails to "Richard."

In other released Windsor emails, Jackson does identify herself. EPA has said the account was not used secretly.

Other emails released today show Jackson using the Windsor account to communicate with groups outside the administration, including Resources for the Future and the Ford Foundation.

Vitter has repeatedly hit EPA for a lack of transparency. He used large parts of McCarthy's nomination hearing to discuss EPA's use of personal email accounts ([E&E Daily](#), April 12).

At that hearing, McCarthy vowed that she had not used a personal account for business use.

Separately, Vitter weighed in on the nomination of Shaun McGrath to head EPA's Region 8 office in Denver.

McGrath was picked yesterday to replace James Martin, who resigned in February amid an investigation into whether he used a personal email account for business purposes ([Greenwire](#), May 1).

"There is a mess to clean up in Region 8, and as EPA struggles to uphold its pledge of transparency to the American people, I hope the new Region 8 administrator will come in with a higher standard for holding himself and his colleagues accountable," Vitter said.